Indian Renewable Energy Development Agency Limited

	Amount	Rating Action
	(Rs. crore)	November 2016
GoI Fully Serviced Bonds Programme	4,000	[ICRA]AAA (Stable); Assigned

ICRA has assigned an [ICRA]AAA (pronounced ICRA triple A) rating with ‘Stable’ outlook to the long-term GoI fully serviced bonds of Indian Renewable Energy Development Agency Limited (IREDA) [1]. IREDA has been mandated to raise these bonds on behalf of Ministry of New and Renewable Energy (MNRE). ICRA also has outstanding ratings of [ICRA]AA+ (Stable) on the Rs. 2,000 crore long-term tax free bonds and Rs. 2,000 crore long-term taxable green bonds programmes of IREDA.

The assigned rating factors in the obligation of the Government of India towards the captioned debt programme as per the office memorandums (OM) dated October 04, 2016 and October 20, 2016 issued by the Budget Division, Department of Economic Affairs, Ministry of Finance, Government of India. As per these OMs, the government has agreed to meet the payment of principal and interest amounts due for the captioned debt programme through budgetary allocations.

The rating for the GoI fully serviced bonds programme does not reflect ICRA’s opinion on the general credit quality of IREDA. The rating addresses the servicing of the debt to happen as per the terms of the Memorandum of Understanding between IREDA and the Ministry of New and Renewable Energy. The rated bonds are unsecured, redeemable, taxable long-term instruments with a tenure of 10 years, semi-annual interest payment and bullet principal repayment.

For details about other ratings assigned to IREDA, please refer to ICRA’s rating rationale of September 23, 2016.

Company Profile

Indian Renewable Energy Development Agency Limited (IREDA) was incorporated as a public limited, government company in March 1987, under the Companies Act, 1956. IREDA operates under the administrative control of the Ministry of New and Renewable Energy (MNRE) to promote, develop and extend financial assistance for renewable energy and energy efficiency and conservation projects. IREDA is notified as a “Public Financial Institution” under Section 4 ‘A’ of the Companies Act, 1956 and is registered as non-banking finance company with the Reserve Bank of India. IREDA is wholly owned by the GoI.

As on March 31, 2016, IREDA’s loan book of Rs 10,387 crore consisted of loans extended to wind power projects (32% of loan book), small hydro (16%), cogeneration (13%), solar (21%), refinance (11%) with the balance being biomass, energy efficiency and other activities.

Recent Results

During FY2016, IREDA reported a PAT of Rs. 298.0 crore on an asset base of Rs.13,339 crore as against a PAT of Rs. 271.9 crore on an asset base of Rs.10,778 crore during FY2015.

During the H1FY2017, the company reported a PAT of Rs. 140.4 crore as compared with Rs. 148.1 crore in H1FY2016. As on September 30, 2016, the company’s CRAR stood at 18.3%, and its gross (180+ DPD) and net NPAs stood at 4.6% and 2.7% respectively.

November 2016

[1] For complete rating scale and definitions, please refer ICRA’s website (www.icra.in) or other ICRA rating publications.

For further details, please contact:

Analyst Contacts:
Mr. Rohit Inamdar (+91-124-4545847)
rohit.inamdar@icraindia.com

Ms. Manushree Saggar (+91-124-4545316)
manushrees@icraindia.com

Mr. Gaurav Khandelwal (+91-124-4545309)
gaurav.khandelwal@icraindia.com

Relationship Contacts:
Mr. L. Shivakumar (+91-22-30470005
shivakumar@icraindia.com

Registered Office
ICRA Limited
1105, Kailash Building, 11th Floor, 26, Kasturba Gandhi Marg, New Delhi 110001
Tel: +91-11-23357940-50, Fax: +91-11-23357014

Corporate Office
Mr. Vivek Mathur
Mobile: +**91 9871221122**
Email: vivek@icraindia.com

Building No. 8, 2nd Floor, Tower A, DLF Cyber City, Phase II, Gurgaon 122002
Ph: +91-124-4545310 (D), 4545300 / 4545800 (B) Fax; +91- 124-4050424

Mumbai **Mr. L. Shivakumar** Mobile: +**91 9821086490** Email: shivakumar@icraindia.com 3rd Floor, Electric Mansion Appasaheb Marathe Marg, Prabhadevi Mumbai—400025, Board : +91-22-61796300; Fax: +91-22-24331390	**Kolkata** **Mr. Jayanta Roy** Mobile: **+91 9903394664** Email: jayanta@icraindia.com A-10 & 11, 3rd Floor, FMC Fortuna 234/3A, A.J.C. Bose Road Kolkata—700020 Tel +91-33-22876617/8839 22800008/22831411, Fax +91-33-22870728
Chennai **Mr. Jayanta Chatterjee** Mobile: +**91 9845022459** Email: jayantac@icraindia.com 5th Floor, Karumuttu Centre 634 Anna Salai, Nandanam Chennai—600035 Tel: +91-44-45964300; Fax: +91-44 24343663	**Bangalore** **Mr. Jayanta Chatterjee** Mobile: +**91 9845022459** Email: jayantac@icraindia.com 'The Millenia' Tower B, Unit No. 1004,10th Floor, Level 2 12-14, 1 & 2, Murphy Road, Bangalore 560 008 Tel: +91-80-43326400; Fax: +91-80-43326409
Ahmedabad **Mr. L. Shivakumar** Mobile: +**91 9821086490** Email: shivakumar@icraindia.com 907 & 908 Sakar -II, Ellisbridge, Ahmedabad- 380006 Tel: +91-79-26585049, 26585494, 26584924; Fax: +91-79-25569231	**Pune** **Mr. L. Shivakumar** Mobile: +**91 9821086490** Email: shivakumar@icraindia.com 5A, 5th Floor, Symphony, S.No. 210, CTS 3202, Range Hills Road, Shivajinagar,Pune-411 020 Tel: + 91-20-25561194-25560196; Fax: +91-20- 25561231
Hyderabad **Mr. Jayanta Chatterjee** Mobile: +**91 9845022459** Email: jayantac@icraindia.com 4th Floor, Shobhan, 6-3-927/A&B. Somajiguda, Raj Bhavan Road, Hyderabad—500083 Tel:- +91-40-40676500	